File No. 459 E
1905.

Collection No.

Mysore Residency

28/2/47 Pros. Serial Nos. 1–24

Subject.

orders of the Govt of India on chapter XIII of the Excise committee's report regarding the staff necessary for the control and administration of excise.

Previous References.

Later References.

R. P.B.—6-1907.—2,000.

RESIDENT'S OFFICE.

Note Sheet.

File No. 459 E / 1905

S B.

Letter No. 3018 *dated* 2 Sept 1907

from Th Collector

SUBJECT.

Excise establishment

No action is called for on the Collectors letter which may be recorded for information.

13/9/07

Rest

Our arrangements appear to comply with the requirements of the Resolution

14/9

179

RESIDENT'S OFFICE.

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NOTES AND PRECIS.

R. P B —6-05.—1,000

FINANCE DEPARTMENT

No.777-Exc.

Simla, the 12th July 1907.

Dear Sir,

With reference to the Resolutions in this Department Nos.2994 and 2995-Exc., dated the 16th May 1907 and No.4341-Exc., dated the 11th July 1907, I forward herewith for the use of your office 10 copies of Major Bedford's Report on the Quality, manufacture and Excise control of alcoholic liquors in India. I have to express regret that the transmission of copies of this Report along with the Resolutions of the 16th May 1907 was overlooked in this Office.

Yours truly,

To

The Registrar of the office of the
Hon'ble the Resident in Mysore.

f.c.m.

Register a 3907
Date of Receipt 1.7.07
File No. 2
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No. 434-Exc.

GOVERNMENT OF INDIA

FINANCE DEPARTMENT

SEPARATE REVENUE.
Excise.

RESOLUTION.

Simla, the 11th July 1907

IN this Resolution the Government of India propose to examine the ground covered by Chapter XIII of the Excise Committee's Report. In that Chapter the Committee have expressed their views regarding the staff necessary for the control and administration of Excise, as well as for the duties of inspection and prevention. The importance of this branch of the subject cannot easily be exaggerated. As the Committee justly observe, "the essence of good Excise administration is a well paid and properly recruited preventive staff, incessant inspection both by it and by active controlling officers, the maintenance of the Collector's authority assisted by the special department, and an adequate provision for technical work and for training of technical officers."

A separate communication will be addressed to the Governments of Madras, the United Provinces, the Punjab, and the Chief Commissioner of the Central Provinces, on the subject of the improvement of their Excise establishments; and it is not proposed, in the present Resolution, to refer again to those questions of establishment and prevention which have already been dealt with in preceding Resolutions. The following remarks, however, express the conclusions of the Government of India upon the matters of wider and more general importance which fell within the scope of the Committee's enquiry.

2. The first question for consideration is the proper status of the head of the Excise Department in each province. The Committee advise that the Excise Commissioner should be brought into immediate relations with the Local Government, either as a Member of the Board of Revenue, as is now the case in Madras, or by serving directly under Government, as happens, owing to the absence of a Board of Revenue, in Bombay. They suggest that the former system might be followed in Bengal and Eastern Bengal and Assam, by making one of the Members of the Board Excise Commissioner, and the latter in the United Provinces and the Punjab, by removing the Excise Commissioner from his subordination to the Board of Revenue and the Financial Commissioner respectively. The Government of India are unable to accept these suggestions in their entirety. They fully recognise the advantages of the arrangement in Madras and Bombay, where the Excise Commissioner and the Chief Revenue Authority are one and the same functionary, who works directly under the Local Government. But they consider that where, as in Northern India, these two functions are separated, it would be incongruous to remove from the control of the Chief Revenue Authority the second largest of our great Revenue departments. The Board of Revenue and the Financial Commissioner are not mere channels of communication between the Excise Commissioner and the Local Government. They intercept and dispose of many references with which the Local Government would otherwise have to deal, and they assist the latter in disposing of those references which have to be submitted to it; they are, moreover, peripatetic and inspecting agencies, whereas the Secretariat is not. The Government of India, therefore, have no objection to the adoption by any Local Government of the first alternative suggested by the Committee, *viz.*, that a Member of the Board of Revenue, or the Financial Commissioner, as the case may be, should be constituted Excise Commissioner, with the assistance of one or two superior inspecting officers. They do not, however, approve of the second alternative, and are clearly of opinion that where the Excise Commissioner and the Chief Revenue authority are separate functionaries, the former should be subordinate to

the latter and not directly to the Local Government. If any Local Government should desire to introduce such a system, the necessity for it would require to be very fully explained.

3. Where the Excise Commissioner is not also the Chief Revenue Authority, it is clearly desirable, as the Committee recommend, that he should in all cases be a comparatively senior officer, who should have the power of issuing orders both to Collectors and to the special staff; and also that a reasonable continuity in the office should be secured. To ensure this latter object, the Government of India would be glad to see it laid down as a general rule that no one should be appointed Excise Commissioner unless he is prepared to hold the office for three years without taking ordinary furlough during that period. There need be no objection to his taking privilege leave or leave on urgent private affairs; and sick leave must, of course, as the Committee recognise, be granted if necessary.

4. The second of the general questions which the Committee have examined is the position of the Land Revenue authorities in relation to the Department of Excise. The existing conditions of Excise, as well as the prospects of its further development, require a considerable measure of departmental specialization in the larger provinces. But the Government of India unhesitatingly accept the view that, however he may be recruited, the district head of the department should be under the control of the Collector, occupying in respect to him the same position as the Superintendent of Police does in police work. They consider that his tenure should be continuous, so far as possible; and for this and other reasons they do not regard it as desirable (differing on this point from the Committee) that junior Civilians should be trained in Excise work by occasional appointment to the control of the district Excise. The more suitable method of instructing these officers would be by the delegation to them of local control as sub-divisional officers.

The Government of India approve (1) of the view that Commissioners of divisions should have no direct concern with Excise, though they should be consulted on questions of policy both by Collectors and by superior authority, and (2) of the rule in force in the United Provinces, under which cantonment magistrates may, with the permission of the Commanding Officer, be placed in charge of the Excise revenue under the Collector's superintendence, thus occupying the same position in the cantonment as the officer in charge of Excise does in the rest of the district.

5. The third important question concerning the Excise staff relates to the preventive establishments. The Government of India have already explained their view that proper preventive arrangements are essential to the success of the policy of adequate control of shops for the sale of fermented liquors, abolition of outstill areas, concentration of manufacture of country liquor, and introduction of the tree-tax system of taxing *tari* wherever this may be decided upon. In the Chapter now under consideration, the Committee discuss in detail the strength of the preventive establishments in the various provinces and the reforms which are necessary. Their conclusions have the complete concurrence of the Government of India, and are, as already noted, being separately commended to the attention of Local Governments. Broadly speaking, it is essential to the proper administration of Excise that officers who have to discharge responsible functions should be adequately paid; that those of the type of Sub-Inspectors should only be employed under adequate control; and that peons and petty officers should be given no independent detective duties, but should be employed under direction for purposes of watch and ward and for similar unimportant services, while their numbers should be strictly limited to what is required for the performance of such duties.

6. The proper relations between the preventive staff and the police are described by the Committee (paragraphs 278 and 280 of the Report) in terms which the Government of India entirely accept. The special preventive force should be responsible for the inspection of shops and prevention of Excise offences and it should be sufficiently strong to undertake these duties; while the police should co-operate in detection, be liberally rewarded for so doing, and be expected to provide a force when large seizures are in prospect. Prosecution for Excise offences should be instituted directly by Excise officers and without the intervention of the police, though, as the Committee recognize, the practice in most provinces for some time to come will be for both Police and Excise

officers to institute such prosecutions. In making these recommendations, the Committee suggest that Excise officers should simply have the power of officers in charge of police stations, *i.e.*, that they should be compelled to send up cases for prosecution provided that there is evidence or reasonable suspicion to justify the forwarding of the accused to a magistrate. The Government of India, however, would be glad to see Excise officers vested, under proper safeguards, with a wider discretion. They have already expressed the opinion that before the tree-tax system is introduced in provinces where it is not now in force, the superior staff should have full discretion to release persons brought before them on failure of adequate proof, or with a warning in the case of ignorant and petty offenders against the repetition of the offence. They invite Local Governments to consider whether similar discretionary powers might not usefully be entrusted to the superior staff in respect to other Excise matters also, with a view to reducing the number of prosecutions for petty and unimportant offences.

* Paragraph 9 of Resolution No. 2996-Exc., dated the 16th May 1907.

7. The propriety of amalgamating Excise with other Departments, a question which has frequently been under the Government of India's consideration, has been fully discussed by the Committee, who advise—

(1) That the staffs employed on the Excise of liquor, opium and hemp drugs should be amalgamated everywhere.

(2) That the amalgamation of the Excise staff with other cognate departments, such as Salt, is also desirable, since a larger cadre facilitates recruiting and ensures a fair flow of promotion, while a periodical change of occupation for Excise officers is very necessary.

(3) That the recruitment of Excise officers from the Land Revenue or other unallied departments is not expedient, since "in any arrangement under which one department depends for recruitment upon another, the less popular is liable either to become a dumping ground for incompetents or to be officered by a succession of capable but inexperienced men who leave the department just as they have learnt their work and become useful."

These recommendations are generally suitable. The Government of India consider it expedient and desirable that the Salt and Excise Departments belonging to the same Local Government should be amalgamated, as has long been the case in Madras, as has recently been accepted for Sind, as has been proposed to the Local Government in respect of Bombay proper, and as, it is understood, is under consideration in Bengal. They do not, however, consider that any amalgamation should be attempted between the provincial Excise staff and the Northern India Salt Department, or that the preventive work now done by that Department in the United Provinces and the Punjab should be handed over to provincial Excise establishments, which do not at present exist there on a thoroughly efficient footing.

8. The Government of India have reserved for separate consideration the remarks of the Committee regarding the appointment of an expert officer to assist in the co-ordination of Excise work in the different provinces. They commend for general acceptance the Committee's concluding suggestions (paragraphs 298 and 299 of the Report) for the prevention of smuggling from Native States and for the check of illicit practices in British India.

Ordered that a copy of the foregoing Resolution be communicated, in continuation of Resolution No. 2997- Exc., dated the 16th May 1907, to all Local Governments and Administrations, with the request that they will report, as soon as possible, the extent to which they will be prepared to adopt the recommendations of the Committee in so ar as they have been approved by the Government of India; to the $\frac{\text{Home}}{\text{Foreign}}$ Department with reference to $\frac{\text{paragraphs 4 and 6}}{\text{paragraph 8}}$; $\frac{}{\text{paragraph 4}}$ and also to Major C. H. Bedford, I. M. S.

For Secretary to the Government of India.

To Hon'ble the Resident in Mysore

10 S.C. Cir-4

GOVERNMENT OF INDIA.

FINANCE DEPARTMENT.

SEPARATE REVENUE.
Excise.

RESOLUTION.

No. 4341-Exa.

Dated Simla, the 11th July 1907.

Orders on Chapter XIII of the Report of the Excise Committee.

G. C. Press, Simla.—No. 711 Fin. D.—10-7-07—30.—B.B.C.

B.P.B.—6-07 —1,000.

RESIDENT'S OFFICE.

Serial No. 1
File No. 146.
E.

[D R A F T.]—For approval.

From

F. P. RENNIE, Esq., I. C. S.,
1st Assistant to the Resident in Mysore.

No. 505 Encl 2

Dated 1st August 1907

To

The Collector.

Dt M. Station of Bangalore

Sir.

I am directed to forward a Copy of a resolution of the Govt of India in the Finance Dept. No. 4341 Exc. dy the 11th July 1907 reviewing the recommendations contained in Chapter XIII of the Report of the Indian Excise Committee 1905—06 and to request that the Resident may be favoured with a report regarding the

in the S. S.C.

for 27-7

(Continuation of Draft).

action to be taken in connection with the Excise administration of the Dt in Dist of Bangalore.

A copy of Major Bedford's Report on the Inability manufacture and Excise Control Malpractices in India is enclosed.

Yours Faithfully
Dr Lawrence

for
Chief Asst: Resl:

N Nan Mitra
26.7.07 26/7/07

RESIDENT'S OFFICE RECORDS
Number 4815
Date of Receipt 3-9-07
No. 459E
1905

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R. P. B.—6-07.—250.

No. 3078

OFFICE OF THE COLLECTOR,

CIVIL AND MILITARY STATION, BANGALORE.

Dated 2nd September 1907.

FROM

P. L. Moore ESQ., I. C. S.,
COLLECTOR,
CIVIL AND MILITARY STATION,
BANGALORE.

To J. P. Rennie Esquire I. C. S.

FIRST ASSISTANT TO THE HONOURABLE THE RESIDENT
IN MYSORE.

SIR,

I have the honour to
acknowledge the receipt of your
R. 3 letter no: 5057 dated the 1st August 1907, with
which you forward for report a copy of the
Government of India Resolution in the
R. 2 Finance Department no: 4341 dated 11th
July 1907 (reviewing the recommendations
of the Excise Committee contained in
Chapter XIII of their report) and to state
as follows:—

2. Chapter XIII of the report

of the Excise Committee referred to deals with the staff required for the control and Administration of Excise as well as the duties of inspection and prevention.

3. The Excise Staff employed in the Civil and Military Station of Bangalore so far as the duties of Control, inspection and prevention are concerned Consists of one Superintendent and one Assistant Superintendent. For the purpose of the Resolution (para 4.) the Superintendent maybe regarded as the district head of Excise. He is directly under the control of the Collector. The appointment of Superintendent is included in the cadre of Assistant Commissioners of the Madras Salt: Abkari and Customs Department, and his tenure of office is ordinarily for three years only. The post of Assistant Superintendent is also filled by a subordinate of the above mentioned department who holds office

File 591/1899 (Ch. IV Portion)

for

for 3 Years. The staff is in my opinion adequate.

4. There is a Warehouse in the station in the immediate Charge of a Sub-Inspector who is aided by another Sub-Inspector in receiving payments from the license holders for the purchase of arrack and ganja. This Establishment adequately provides for the receipt and issue of liquor and ganja. This Establishment and the Assistant Superintendent Are under the immediate control of the Superintendent.

5. The next point is the relation between the preventive staff and the Police and the Co-operation of the latter in the work of detection Etc. Regarding this the existing arrangement in the station is satisfactory. As both the Excise and Police departments are under the immediate Control of the Collector

and District Magistrate, the co-operation of the one with the other is assured. Offences under the Excise Act are ordinarily reported in the first instance to the Collector through the Superintendent of Excise, and prosecutions are instituted by the Excise officers. Minor offences such as those relating to breach of license Conditions are dealt with by the Collector himself under the powers given to him by the rules. With regard to para 7 of the Resolution above mentioned the same staff is employed on Excise of liquor, opium and hemp drugs. There is no other cognate department in the Station with which the Excise staff can be amalgamated.

6. The only offices which have to be filled in the Station are those of the two Sub. Inspectors In their Cases the principle laid down is followed as far as possible.

I have the honour to be,

Sir,

Your most obedient servant

P. Thomas

Collector